GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1972
ANSWERED ON:24.08.2007
PUBLIC SECTOR BANKS IN FOREIGN COUNTRIES
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Will the Minister of FINANCE be pleased to state:

(a) the details of public sector banks and their branches operating in foreign countries at present, bank-wise;

(b) the number of proposals pending with the Government for clearance for opening more such branches in foreign countries including the names of countries where such branches are proposed;

(c) whether Government has received any complaint in regard to functioning of these branches from host countries;

(d) if so, the details thereof and the nature of complaints received;

(e) whether RBI is monitoring the functioning of these bank branches; and

(f) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a) As on 31s1 July, 2007, public sector banks (PSBs) have 115 branches abroad, consisting of Punjab National Bank -I, Allahabad Bank- 1, State Bank of India - 33, Bank of India- 22, Bank of Baroda - 42, Indian Bank-3, Indian Overseas Bank-6, UCO Bank-4, Canara Bank-2 and Syndicate Bank-1.

(b) Reserve Bank of India (RBI) has received applications from 3 PSBs for opening overseas branches in 7 countries viz. South Africa, Germany, Oman, Bahrain, Qatar, UAE and New Zealand.

(c) RBI has not received any complaint in regard to functioning of these branches from regulators of the host countries.

(d) Does not arise.

(e) & (f): RBI monitors the functioning of Indian banks` branches abroad by way of Off- site monitoring through quarterly returns, quarterly letters from the Chief Executives of the banks and monthly compliance certificates from the banks reporting incidents of overseas regulatory violations, if any, etc. Further, in case of no violation, banks are required to certify to RBI that no violation on any regulations had been reported / observed in any of the countries where the concerned bank has its branch / office. RBI also carries out On-site inspection of these branches occasionally.